

United States Senate

WASHINGTON, DC 20510

November 23, 2009

The Honorable Harry Reid
Majority Leader
United States Senate
S-221, U.S. Capitol
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
S-230, U.S. Capitol
Washington, DC 20510

Dear Majority Leader Reid and Minority Leader McConnell,

We are writing to urge quick action on legislation we recently introduced, the COBRA Subsidy Extension and Enhancement Act of 2009 (S. 2730).

This bill would provide much needed assistance to those unemployed Americans looking for work in a struggling economy. If we don't act, thousands will see a spike in their health insurance premiums starting next month. That's because the Consolidated Omnibus Budget Reconciliation Act (COBRA) Premium Assistance Program we established as part of the American Recovery and Reinvestment Act of 2009 (ARRA) will phase out beginning December 1, 2009.

All reports indicate that the COBRA Premium Assistance Program has been a success, allowing recently laid-off workers to keep their health insurance. Without premium assistance, COBRA continuation coverage is prohibitively expensive. And with millions of Americans no longer receiving employer-subsidized health insurance through work, it is imperative that we do all we can to limit the rise in the newly uninsured – and the subsequent increase in uncompensated care and Medicaid enrollment that would surely follow.

Under current law, the COBRA Premium Assistance Program provides a 65% subsidy on COBRA premiums for nine months to those involuntarily terminated between September 1, 2008 and December 31, 2009. Our bill would increase the subsidy amount from 65% to 75%, lengthen the duration of the subsidy from nine months to 15 months, and extend the termination deadline from December, 2009 to June, 2010. S. 2730 would make those workers who see a severe reduction in their hours – and are thus no longer offered employer-subsidized coverage – eligible for the COBRA Premium Assistance Program. Finally, our bill would provide workers who are offered retiree health benefits – currently excluded from the program – access to the subsidy. These critical improvements would allow more Americans the option of subsidized COBRA coverage during these hard economic times.

We submitted S. 2730, which has been endorsed by the United Auto Workers and the Coalition on Human Needs, to the Joint Committee on Taxation (JCT) for a cost estimate on November 6, 2009. We look forward to hearing back from JCT and beginning debate on the Senate floor. We hope you agree that this issue deserves our urgent attention.

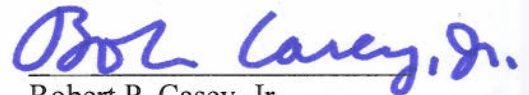
In addition to acting on S. 2730, we encourage you to move forward with an extension of federal benefits for long-term unemployed workers through the end of 2010. Four out of five of our individual States, due to an unemployment rate in excess of 8.5%, are eligible for the additional six weeks of unemployment insurance provided in the Worker, Homeownership, and Business Assistance Act of 2009. Without an extension, our States will not be able to take advantage of the additional weeks, which would greatly benefit our unemployed constituents. Even worse, if we do not extend these important programs and protections into 2010, workers exhausting their state benefits or finishing up tiers of Emergency Unemployment Compensation in 2010 will have no source of income whatsoever. In January alone, 1.1 million unemployed workers will have no benefits at all if Congress does not act.

Thank you for your consideration.

Sincerely,



Sherrod Brown
U.S. Senator



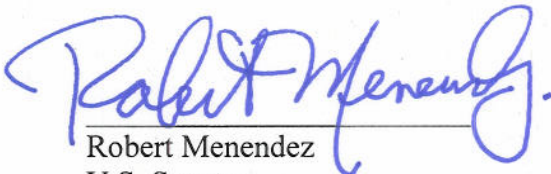
Robert P. Casey, Jr.
U.S. Senator



Al Franken
U.S. Senator



Sheldon Whitehouse
U.S. Senator



Robert Menendez
U.S. Senator